

**Msgr. Hawkes: A Legend Feared by Some: Financial Wizard Is Power Broker of L.A. Archdiocese**

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***Msgr. Hawkes: A Legend Feared by Some***

# Financial Wizard Is Power Broker of L.A. Archdiocese

By RUSSELL CHANDLER

and ROBERT WELKOS.

*Times Staff Writers*

To the 2.3 million Catholics in the Archdiocese of Los Angeles, Cardinal Timothy Manning stands as the spiritual leader of their church.

But to the 1,200 priests in the three-county archdiocese, one man stands out as a legend — a priest who for years has wielded immense power for two cardinals.

So commanding a figure is Msgr. Benjamin G. Hawkes that actor Robert DeNiro chose to observe him saying Mass before the actor's portrayal of a monsignor in the motion picture "True Confessions," released last year.

Hawkes, 63, is the financial officer of the nation's second-largest and perhaps wealthiest Catholic diocese.

As vicar general of the archdiocese, he has guided its finances for nearly two decades — first under his mentor, Cardinal James Francis McIntyre during the post-World War II boom era of parish and parochial school growth, and, since 1970, under the soft-spoken, spiritually minded Manning.

While Manning and McIntyre made the headlines, Hawkes directed their building programs, purchased and sold huge parcels of land, managed a swelling array of investments, courted church benefactors and dealt sternly with priests whom the cardinals wanted disciplined.

With the growth of his almost unlimited power — McIntyre gave him broad power of attorney in 1965 — Hawkes today finds himself perhaps the most respected yet feared official in the archdiocese.

To priests and parochial school administrators who must come to him for money for their building programs, Hawkes can be an imposing figure.

## Feeling of Vulnerability

"I felt just like the (cowardly) lion in the 'Wizard of Oz,'" recalled one school administrator who described a meeting he once had with Hawkes.

"You're just like this," he said, gesturing as if to squash an ant on the table top. "When you are vulnerable you can be banished . . . sent to the desert . . . People are called in and you stand in front of him, and he never offers you a seat."

A former Hawkes associate told *The Times*, "Everything's got to be done his way. He told me on more than one occasion, 'If I want your opinion, I'll ask for it.' He's 100% loyal to the archdiocese. In the process, he has stepped on toes. He has left people shaking their heads. The cardinal is much more compassionate than he is."



RICK MEYER / Los Angeles Times

Msgr. Hawkes— "Everything's got to be done his way."

"He drops the guillotine," said another Hawkes acquaintance. "He says 'no' to things."

Hawkes waves aside the notion that he is feared.

"I have lots of friends," he said. "Sure, I sign most of the checks, as vicar general for finances, but . . . friends are more important than money."

"Who is it that is complaining?" he said. "It's not the lay people. It's a few disgruntled priests . . . who think they could do a better job of running (the archdiocese)."

Hawkes takes a certain pride in the fact that he is a priest who, despite modest beginnings, today routinely

associates with the rich and powerful people of Los Angeles.

He is fond of telling his fellow priests: "The rich have souls, too."

Hawkes, who wears expensive black suits and gold cuff links, is a member of the exclusive Jonathan Club and the Los Angeles Country Club.

"He can be seen in any good restaurant," said Dick Dunn, whose Charles Dunn Co. handled many of the real estate deals for the archdiocese through the years. "He has a very substantial social life."

Hawkes said he can afford to eat out regularly because his expenses as a priest are low.

"People have been good to me," Hawkes said. "I've had three people remember me in their wills. They were good friends."

Hawkes said that by saving \$200 a month of his priest's salary he has managed to invest in government bonds.

"But I own no stocks. I own no personal property. And what I've had given to me and earned has been invested and I get an income every month. . . . I don't need much money to do what I do."

Through McIntyre, Hawkes came to know many wealthy and influential "kingmakers" in Los Angeles: people like oil heiress Carrie Estelle Doheny; Asa Call of

Pacific Mutual Life Insurance; Thomas Leavey, a founder of Farmer's Insurance Group; the Von der Ahr family (Von's supermarkets); Walter and Peter O'Malley of the Los Angeles Dodgers; Patrick Frawley of Schick razor blades; the civic-minded Dockweiler and Duque families, and Fritz B. Burns, developer of Panorama City and Westchester as well as the Hawaiian Village in Hawaii.

Burns, who died in 1979, set up a foundation that last year gave \$500,000 to the Los Angeles archdiocese and still permits Hawkes to stay at the island home for 23 years.

"I've had some fabulous friends," Hawkes said, "and they (Burns and his wife) have been very good friends. I try to go (to Hawaii) once or twice a year — twice if I can. I go for a rest. I live on the telephone. I dictate (letters) when I'm not on the telephone. If I can go for four, five or six days, that is great."

"Some priests talk of taking a trip and have a very limited budget," said Bob Wilkerson, a friend of the vicar general. "Hawkes, who works hard, may suddenly take off for a weekend or four days and go halfway around the world."

The archdiocese's business often takes Hawkes to

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# HAWKES: The Power Behind the L.A. Archdiocese

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Rome, where he makes it a point to visit the Pope on each trip.

Hawkes and Daniel J. Donohue, a prominent Los Angeles Catholic layman, along with Donohue's sister, had a private audience with John Paul II last June 4.

Three days later, Donohue — one of only two American laymen named "Gentlemen in Waiting to His Holiness" — personally escorted President and Mrs. Reagan into the Vatican when the President met with the pontiff. Hawkes viewed the ceremonies.

In Los Angeles, Hawkes adheres to an exhausting schedule. Not only does he handle the finances of the archdiocese, with assets estimated at \$900 million, but he is pastor of St. Basil's, the elegant modernistic church on Wilshire Boulevard.

Hawkes takes considerable pride in the growth of St. Basil's.

"You know how many people I have at St. Basil's? I have 6,000 people every weekend from Saturday night to Sunday night. Show me a church of any denomination, or Catholic even, that has this (size) congregation. . . . I have five Masses every day, six Masses every day during Lent. I had 226,000 communions last year."

The legend of Benjamin Hawkes had its beginnings three decades ago when he left a promising career as an accountant at Lockheed Aircraft Co. to become a priest.

Cardinal McIntyre, who spent 16 years on Wall Street before joining the priesthood, handpicked the young Hawkes to become his personal secretary in 1952, two years after McIntyre ordained him. Hawkes became

McIntyre's chancellor in 1962 and vicar general in 1967.

With his no-nonsense style, biting wit and a mind in control of facts and figures, Hawkes soon became the financial wizard of the archdiocese.

## Evidence of Connections

Some of his business dealings illustrate the close ties between Hawkes and important Catholic laymen in Los Angeles.

In 1978, for example, when Donohue purchased a luxury home atop a hill in Bel-Air Estates, he went to his long-time friend and confidante Hawkes and received a \$1.5-million loan from the archdiocese to buy the property.

Donohue is president of the Dan Murphy Foundation, a private, nonprofit organization that in the past 10 years has funneled \$29 million into the treasury of the archbishop of Los Angeles. Hawkes is a trustee of the foundation.

In addition to the property, Hawkes said Donohue pledged stock in an undisclosed company as security; the shares are kept by the archdiocese in a safe deposit box.

(A financial official of the Archdiocese of San Francisco was asked whether his archdiocese would lend \$1.5 million to an individual so he could buy a house. The priest replied: "We never have that much money to loan out.")

(He added that the Archdiocese of San Francisco does not make personal loans and that the practice is rare within the church.)

("The only personal loans we ever make are occa-

sionally to priests who are buying cars from the archdiocese fleet. The collateral in that case is the priest.")

Hawkes would not permit examination of the loan records, and neither he nor Donohue would discuss why Donohue chose to borrow money from the church to buy the house. But Hawkes said Donohue is paying a rate of interest that was "exactly the going rate on the date of the loan."

In the same year that the loan was made, the Dan Murphy Foundation donated 50,000 shares of California Portland Cement Co. stock valued at \$1,446,875 to the church corporation called the Roman Catholic Archbishop of Los Angeles.

The following year, the Murphy Foundation transferred another 212,065 shares of California Portland stock valued at \$9.88 million, to the archbishop.

The 1979 transfer allowed the foundation to comply with a strict tax law and "rid itself of excess business holdings" beyond that allowed for foundations, according to foundation attorney Edward Landry.

Hawkes channels nearly all renovation work for the archdiocese to a construction company headed by another friend who is a prominent Catholic layman—much to the consternation of other competing contractors who say they get no opportunity to bid on the projects.

## Member of the Parish

The company is M. T. Patrick Co. of Los Angeles and its president is Michael Bolger, a member of Hawkes' parish. Hawkes' building coordinator, Al Amici, once worked as an estimator for M. T. Patrick.

The company has performed so much renovation

work for the archdiocese that many priests to this day mistakenly believe Hawkes and Bolger or their families are related.

Bolger, a 55-year-old former Marine who lives in Hancock Park, said his firm does "a lot of jobs big contractors wouldn't want to fool with."

Bolger would not say exactly how much work he has done for the archdiocese, but chancery figures show M. T. Patrick Co. grossed \$1.6 million in renovation work for the archdiocese this summer alone.

So confident does Bolger feel about his ties to Hawkes that at times he aggressively pursues repair work without waiting for official approval from the chancery.

Bolger said that one Saturday morning last February he was driving his car when the news broke on his radio that a Catholic priest in Baldwin Hills had just died in a fire that raced through the priest's residence.

Bolger said that before coroner's deputies completed their work of removing the priest's body at St. Bernadette's Church, he was beginning his work—surveying the smoldering rubble and planning how his crews would repair the \$65,000 damage.

This aggressive business style pleases Hawkes, who said of M. T. Patrick Co.: "I think I'm getting the best deal. . . . We have never bid repairs and maintenance unless they are (for) a large amount of money."

(Hawkes' practices so incensed one painting contractor that a formal complaint was filed with a builders association, alleging that a handful of firms had gained an unfair advantage in getting jobs from the church. The builders group has tried for eight months without success to obtain a meeting with Hawkes or the cardinal.)

Bolger and Hawkes have vacationed together on various occasions, including stays at the Fritz Burns house in Hawaii. They have traveled to Rome, where

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# HAWKES: Power Behind Archdiocese

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Bolger has had his photograph taken with Pope Paul VI and Pope John Paul II. Bolger displays the photos on his office wall alongside photos of Cardinals Manning and McIntyre, as well as Hawkes and Donohue.

Bolger was so close to McIntyre that after the cardinal died in 1979, Manning gave the contractor McIntyre's episcopal ring.

As chief moneymen for the archdiocese, Hawkes has had a principal role in building the church corporation's investment portfolio and buying and selling land.

Many people credit Hawkes with getting the archdiocese into the black financially, eliminating much of the debt incurred by McIntyre during the boom era in building.

The archdiocese's corporate stock is mainly shares of California Portland Cement Co. given to the chancery corporation by the Dan Murphy Foundation in 1978 and 1979.

The large increase in the archdiocese's assets during the 1970s came despite the formation of a new diocese in Orange County in mid-1976. The Diocese of Orange was carved out of the four-county Los Angeles archdiocese, which today retains Los Angeles, Ventura and Santa Barbara counties.

At the time of the Vatican-approved split, disgruntled priests voiced dismay over what they felt was unfair distribution of proceeds from the sale of large parcels of vacant land at two Catholic cemeteries that Hawkes sold to developers.

Some believed the land should have been left for the new diocese to do with as it pleased, or at the very least, that the proceeds should have been divided equally be-

tween the two dioceses.

Bishop William Johnson of the Orange diocese said in an interview that "there was no effort to go and peddle off property in Orange County before the division." But he admitted that he called all his priests together after the division to quell dissent over the land sales.

Johnson said that the new diocese received "11% to 12%" of the sale price of the land that was in escrow when the new diocese was created. The figure was based on the total Catholic population of the then four-county archdiocese.

In many people's minds, Hawkes would be the last person duped in a real estate deal. But in a 1979 lawsuit, that is what the church alleged happened—by, of all people, Hawkes' longtime real estate director.

When the archdiocese sold a three-acre parcel of vacant land several years ago in Solvang, Hawkes found to his dismay that the church had let the land go for hundreds of thousands of dollars less than market value.

Michael C. Purcell, Hawkes' real estate director and consultant, had a principal role in counseling the monsignor to sell the Solvang land for \$397,000. What Hawkes did not know until escrow closed, according to the suit, was that Purcell was a secret buyer in the partnership that purchased the property.

"At no time prior to the opening of . . . escrow did Purcell advise (Hawkes) that this was a grossly inadequate price or that he was an undisclosed buyer of (the) property," the lawsuit, filed in Santa Barbara County Superior Court in Santa Maria, stated.

Cape Pacific Partnership, which Purcell formed with three other businessmen, in turn sold half the property

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# HAWKES: Archdiocese

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for \$450,000 to a second partnership called Solvang Mission Inn. That partnership intended to develop the property, just south of the town's main tourist area, into a mini-convention center.

Eserow closed on Jan. 2, 1979, and the church did not learn of Purcell's role until the following month, when word got back through a Catholic parishioner in Santa Ynez.

By the following month, Purcell had unexpectedly signed over all his interest in the property to the Archbishop of Los Angeles.

Purcell said he did so after Hawkes took him into the cardinal's conference room.

"Hawkes can be charming and he can be ruthless," Purcell said. "Literally, I was forced to sign that document. Hawkes told me he was personally going to get me. It scared me."

When asked by The Times whether he had told Hawkes prior to the sale that he (Purcell) was a party to the purchase, Purcell said: "I had mentioned it off the cuff. Well, I may not have done it. In my mind I was totally convinced (I had told Hawkes)."

Hawkes denied that he threatened Purcell, adding: "I do believe in conflicts of interest and I thought this was one."